

WHAT IS CLAIMED IS:

1. A method for detecting supplier instability comprising:
  - assigning a value to each of a plurality of warning indicators for a plurality of suppliers; and
  - assigning a supplier stability level to each of said plurality of suppliers according to said values for each of said plurality of warning indicators for each of said plurality of suppliers.
2. The method of claim 1 wherein assigning a value to each of a plurality of warning indicators comprises assigning a value to each of a plurality of early warning indicators.
3. The method of claim 2 wherein said early warning indicators comprise financial, quality, delivery, new product development, management, and sensing indicators.
4. The method of claim 2 further comprising assigning a value to each of a plurality of annual warning indicators.
5. The method of claim 4 wherein said annual warning indicators comprise profitability, financial, quality, cost, delivery, and management indicators.
6. The method of claim 1 wherein assigning a supplier stability level to each of said plurality of suppliers comprises assigning a supplier stability level within a range of values from 1 to 4.
7. The method of claim 1 further comprising developing a recovery plan for each of said plurality of suppliers with a supplier stability level indicating supplier instability.
8. A system for detecting supplier instability comprising:
  - a first database comprising supplier quality and delivery data;

a second database comprising sensing data;

a third database comprising third party financial data and third party alert data;

a server with software adapted to assign and analyze warning indicators according to said supplier quality and delivery data, said sensing data, and said third party financial data and said third party alert data for each of a plurality of suppliers and to assign a supplier stability level to said of said plurality of suppliers according to said warning indicators for each of said plurality of suppliers; and

a workstation for connecting to said server and reviewing and preparing reports based on said warning indicators and said supplier stability level for each of said plurality of suppliers.

9. The system of claim 8 wherein warning indicators comprise early warning indicators.
10. The system of claim 9 wherein said early warning indicators comprise financial, quality, delivery, new product development, management, and sensing indicators.
11. The system of claim 10 wherein said software is adapted to assign a supplier stability level according to judgment criteria for each of said plurality of early warning indicators.
12. The system of claim 9 further comprising annual warning indicators.
13. The system of claim 12 wherein said annual warning indicators comprise profitability, financial, quality, cost, delivery, and management indicators.
14. The system of claim 8 wherein said reports comprise an early warning indicator assessment report and a problem tracking report.

15. A method for detecting supplier instability comprising:

assigning early warning indicator values to a plurality of early warning indicators for a supplier;

applying judgment criteria to each of said early warning indicator values to assign each of said early warning indicators to one of a plurality of bands; and

evaluating said judgment criteria to assign a supplier stability level to said supplier.

The method of claim 15 wherein assigning early warning indicator values comprises assigning a value to financial, quality, delivery, new product development, management, and sensing indicators.

17. The method of claim 15 wherein evaluating said judgment criteria to assign a supplier stability level to said supplier comprises evaluating the number of new early warning indicators in each of said plurality of bands.

18. The method of claim 17 further comprising monitoring said supplier according to said supplier's stability level.

19. The method of claim 15 further comprising developing a recovery plan for said supplier if said supplier stability level indicates severe instability.

20. The method of claim 15 wherein assigning early warning indicator values to a plurality of early warning indicators for a supplier comprises assigning said early warning indicators monthly.